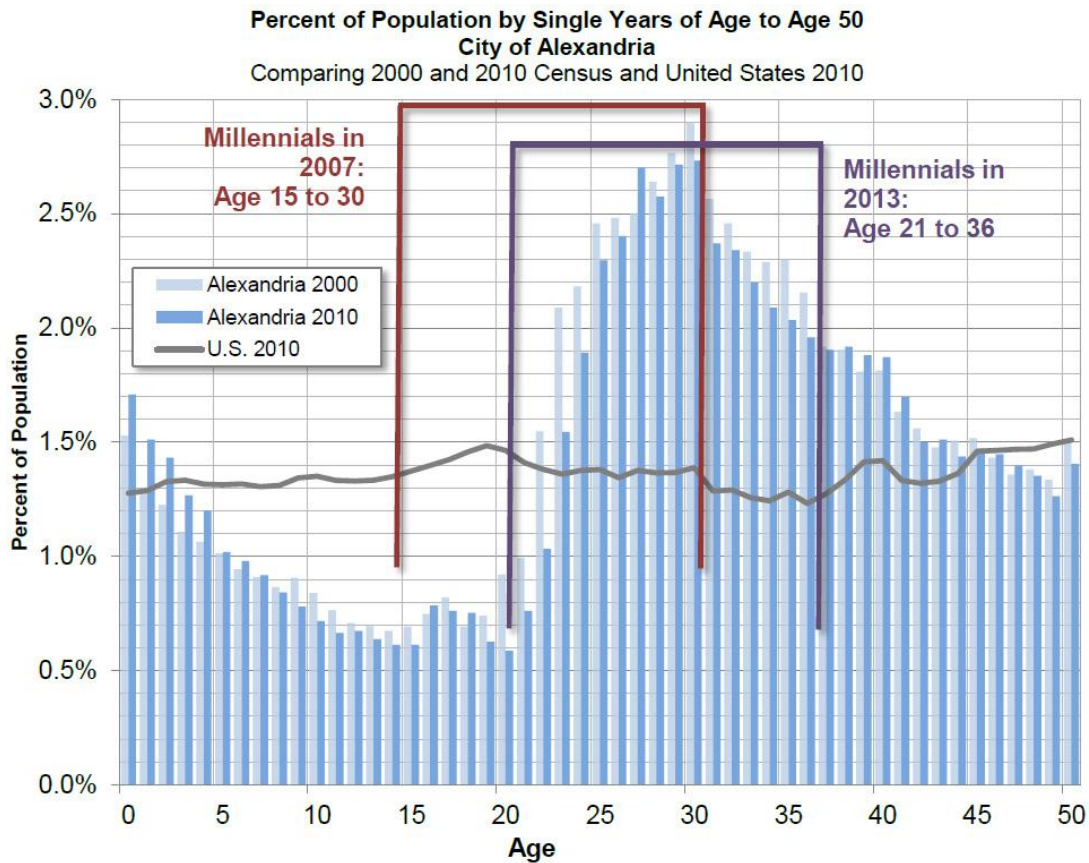


Alexandria – City of the Millennials?

Alexandria and Arlington County lead the nation in growth in population of Millennials according to a study recently released by RealtyTrac (link at end). A number of media outlets recently carried the story of the migration of Millennials in the U.S., which looks at changes over the 6 years from 2007 to 2013 in the number of people in U.S. cities in what RealtyTrac defined as the Millennial Generation, born in the 16 years from 1977 through 1992 (there are a number of different definitions of the birth years for this generation). For that particular period based on the data and approximations used by RealtyTrac, Arlington gained the greatest percentage in its millennial population of any jurisdiction in the U.S. at 82%. Alexandria was right behind at number two with 81%.

Why were Alexandria and Arlington County big winners among Millennials? We'll look at Alexandria specifically – the reasons are similar for Arlington.



The graph above shows Alexandria's very unusual age distribution compared to the U.S. average. That age distribution has a lot fewer school-age children, and a lot more 25- to 40-year-olds, than the typical U.S. community. That age distribution doesn't change much over time. As the graph shows, the distribution of Alexandria's population by age from age 1 to age 50 in 2010 was almost the same as that in 2000 as measured by the complete counts of population in the decennial census.

In 2010, more Alexandrians were 30 than were any other age, with 2.7% of the population. In 2000, 30 years was also the city's most popular age, with 2.9% of the total.

In 2010, of all ages below 68 (beyond the age of the oldest baby boomer at that time), 20 was the least common age, with only 0.6% of the population. That means that in 2010, there were 4.6 30-year-olds for every 20-year-old in Alexandria. After age 20, the share by age increased rapidly to age 27, then leveled out to age 30, and declined sharply again after age 30.

In 2000, 20-year-olds had a bit larger share at 0.9%, but there were still more than three 30-year-olds for every 20-year old in Alexandria.

Alexandria's population curve by age was lying in wait for the RealtyTrac study. The range of ages spanned by the Millennial Generation in 2007 included at its top our most common age, age 30. Below that age, however, population dropped off rapidly to ages with few representatives in Alexandria.

In 2013, age 30 was right in the middle of the Millennials' age range, so the Millennial Generation sat right on the top of the city's population by age curve. After continued slow growth for about five more years, Alexandria's population of Millennials should reach its peak and then start to fall gradually.

Once the youngest Millennials reach age 30 in 2022, it will be time for Generation Z to mass at the borders and take over as the growth generation. Alexandria will lead the nation in growth of Generation Z in the group of studies that show internal migration for any 5- to 10-year period beginning in the early 2020s.

Why does Alexandria's population show this unusual age distribution? It's a consequence of Alexandria's location in the Washington, D.C. metropolitan region and the way the city's development has responded to that location over time. Alexandria's proximity to major centers of employment in the region has resulted in a strong market for housing that meets the needs of employees with a priority for a short commute to work and finding after-hours activities with friends. Because they find space a lower priority, they can outbid families who may seek larger homes with more yard space outdoors, and who are willing to trade a longer commute for more space. Compared to Northern Virginia's suburban counties like Fairfax, Prince William and Loudoun, Alexandria's housing units have fewer rooms, and nearly all are townhouses or multi-family units rather than single-family detached housing. Many of our smaller apartments are filled by singles and young couples, many of whom have moved to the area recently or are in their first or second place since leaving their parents' home or leaving college. The city has a high rate of turnover in these rental units as these singles and couples move to other apartments

in the region, or as they have families and seek larger housing with additional rooms for their children as they grow older. While some continue to seek an urban lifestyle, many move to larger places more distant from the center of the region as their households change.

To some extent, this rapid turnover and relatively constant age distribution through age 45 to 50 depends on continued growth in jobs in the local region, though much of the movement in and out of housing here is a movement within the Washington, D.C. metropolitan region. With only about 3% of the region's population, Alexandria can continue to maintain a strong specialization in meeting the needs of new households, whether generated from within the region or by moves to the region from the rest of the U.S. and abroad.

To see the RealtyTrac report, click the link below.

<http://www.realtytrac.com/content/foreclosure-market-report/millennials-moving-to-markets-with-jobs-baby-boomers-downsizing-to-lower-cost-markets-8143>

For more information or questions about this topic, please call Pat Mann at 703.746.3857.